REDICTION 0:108

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT

EAST AND WEST FELICIANA PARISH, LOUISIANA

FINANCIAL REPORT

DECEMBER 31, 2004

Under provisions of state law, this report is a public document. Acopy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date_7-13-05

W. Randall Peay, Ltd.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2004

This section of the District Attorney's annual financial report presents our discussion and analysis of the District Attorney's financial performance during the fiscal year ended on December 31, 2004. Please read it in conjunction with the transmittal letter at the front of this report and the District Attorney's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

• The District Attorney's total net assets were \$399,719 over the course of this year's operations. This was an increase of \$113,132 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts - management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents combining statements for nonmajor governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the District Attorney:

- The first two statements are government-wide financial statements that provide both longterm and short-term information about the District Attorney's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District Attorney government, reporting the District Attorney's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services, like public safety, were financed in the short term as well as what remains for future spending.
 - Fiduciary fund statements provide information about the financial relationships in which the District Attorney acts solely as agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds and internal service funds, each of which are added together and presented in single columns in the basic financial statements.

Figure A-1 summarizes the major features of the District Attorney's financial statements, including the portion of the District Attorney's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2004

·- <u>-</u> -	Fund Statements				
	Government-wide Statements		Governemental Funds		Fiduciary Funds
Scope	Entire District Attorney government (except fiduciary funds) and the District Attorney's component units		The activities of the District Attorney that are not proprietary or fiduciary, such as public safety and the IVD program.		Instances in which the District Attorney is the trustee or agent for someone else's resources, such as the retirement plan for District Attorney employees
Required financial staements	* Statement of net assets * Statement of activities		* Balance Sheet * Statement of revenues expenditures, and changes in fund balances		* Statements of fiduciary net assets * Statements of changes in fiduciary net assets
Accounting basis and measurements focus	Accrual accounting and economic resources focus		Modified accrual accounting and current financial resources focus		Accrual accounting and economic resoruces focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term		Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included		All assets and liabilities, both short-term and long-term; the District Attorney's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues expenses during year, regardless of when cash is received or paid		Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments are due during the year or soon thereafter		All revenues and expenses during year, regardless of when cash is received or paid

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2004

Government-wide Statements

The government-wide statements report information about the District Attorney as a whole using accounting methods similar to those used by private-section companies. The statement of the net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District Attorney's net assets and how they have changed. Net assets - the difference between the District Attorney's assets and liabilities - is one way to measure the District Attorney's financial position.

- Over time, increases or decreases in District Attorney's net assets are an indicator of whether its financial health is improving or deteriorating.
- To assess the overall health of the District Attorney you need to consider additional financial factors such as changes in the finances of the State of Louisiana and the parishes of East and West Feliciana.

The government-wide financial statements of the District Attorney consist of:

• Governmental activities - all of the District Attorney's basic services are included here, such as the public safety, and general administration.

Fund Financial Statements

The fund financial statements provide more detailed information about the District Attorney's most significant funds - not the District Attorney as a whole. Funds are accounting devices that the District Attorney used to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by State law.

The District Attorney has two kinds of funds:

- Governmental funds Most of the District Attorney's basic services are included in the governmental funds, which focus on (1) how the other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District Attorney's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, I am providing additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them
- * Fiduciary funds I excluded these activities from the District Attorney's governmental-wide financial statements because the District Attorney cannot use these assets to finance its operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2004

FINANCIAL ANALYSIS OF THE DISTRICT ATTORNEY AS A WHOLE

Net Assets. The District Attorney's combined net assets were as follows. (See Table A-1.)

Table A-1 District Attorney's Net Assets

	Governmental
	Activities
	2004
Current and other assets	\$311,192
Capital assets	<u>82,073</u>
Total Assets	\$393,265
Current Liabilities	42,634
Total Liabilities	\$ 42,634
Net Assets	
Invested in capital assets	\$ 82,073
Unrestricted	<u>268,558</u>
Total Net Assets	<u>\$350,631</u>

Net assets of the governmental activities increased to \$350,000.

Governmental Activities

Table A-2 Changes in District Attorney's Net Assets

	Governmental Activities	
Revenues		
Program revenues		
Charges for services	\$ 92,150	
State grants and entitlements	338,277	
Other	<u>2,194</u>	
Total Revenues	\$432,621	
Expenses		
General governmental	\$404 <u>,725</u>	
Total Expenses	<u>\$404,725</u>	
Increase in net assets	\$ 27,896	

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2004

Governmental Activities (continued)

Table A-3
Net Cost of District Attorney's Governmental Activities

Public safety IVD program	Total Cost Of Services	Net Cost of Services <u>2004</u> \$ 35,845 <u>(10,143)</u>
Total	<u>\$404,725</u>	<u>\$ 25,702</u>

FINANCIAL ANALYSIS OF THE DISTRICT ATTORNEY'S FUNDS

As the District Attorney completed the year, its governmental funds reported a combined fund balance of \$350,631.

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2004

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2004, the District Attorney had invested \$82,073 in capital assets (See Table A-4)

Table A-4 District Attorney's Capital Assets (net of depreciation)

Governmental Activities 2004

Furniture and equipment Total

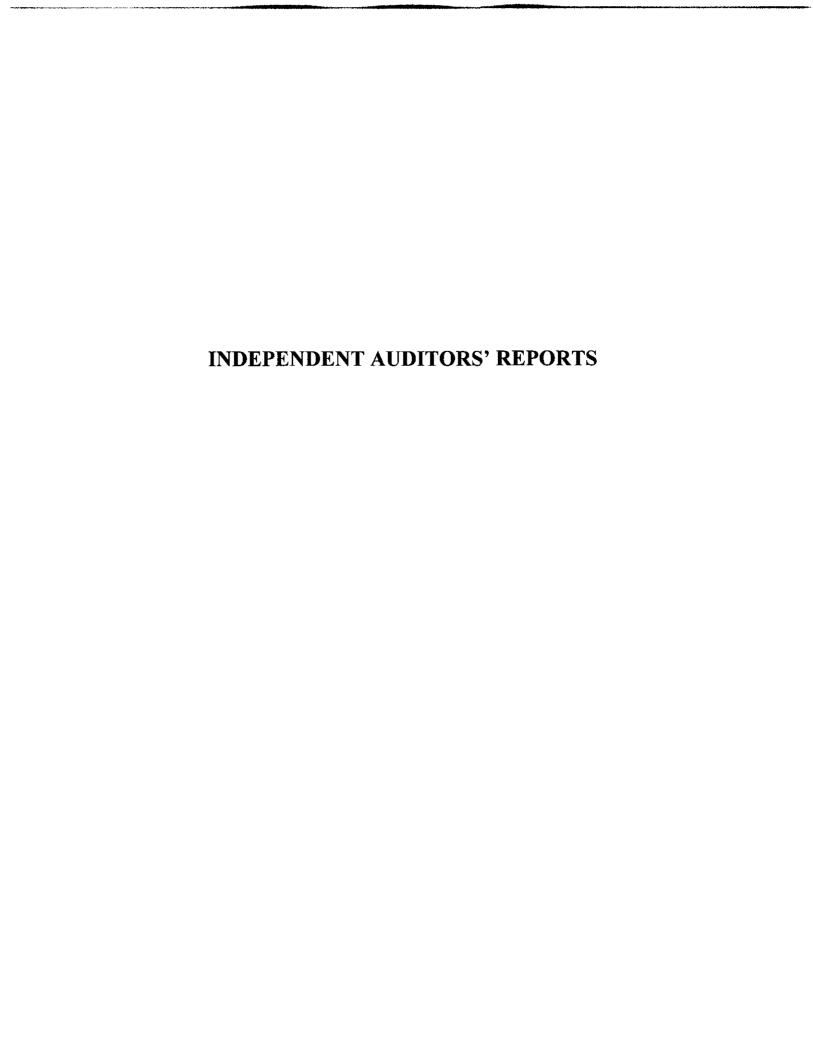
\$82,073 \$82,073

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The District Attorney is dependent on the State of Louisiana and the East and West Feliciana Parishes Police Juries for approximately 98 percent of its revenues. These entities receive a substantial part of their revenues from taxes. The economy is not expected to generate any significant growth. Therefore, the District Attorney's future revenues are expected to be consistent with the current years. The budget for the 2005 year is approximately the same as the year 2004.

CONTRACTING THE DISTRICT ATTORNEY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District Attorney's finances and to demonstrate the District Attorney's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Samuel C. D'Aquilla, District Attorney, 11651 Ferdinand.St., St. Francisville, Louisiana, 70775.



W. RANDALL PEAY, LTD.

(A Professional Accounting Corporation)

W. RANDALL PEAY

CERTIFIED PUBLIC ACCOUNTANT

POST OFFICE BOX 8344 CLINTON, LOUISIANA 70722 (225) 683-9515

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Independent Auditor's Report

The Honorable Samuel D'Aquilla District Attorney of the Twentieth Judicial District Parishes of East and West Feliciana State of Louisiana

I have audited the accompanying basic financial statements of the District Attorney of the Twentieth Judicial District, as of and for the year ended December 31, 2004. These basic financial statements are the responsibility of the office of the District Attorney of the Twentieth Judicial District. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the District Attorney of the Twentieth Judicial District, as of December 31, 2004, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America..

As described in Note 2 to the basic financial statements, the District Attorney adopted the provisions of Governmental Accounting Standards Board No. 34, Basic Financial Statements-and Management's Discussion and Analysis- for State of Local/Governmental Accounting Standards Board Statement no. 33, Accounting and Financial Reporting for Nonexchange Transactions, in 2003.

In accordance with Government Auditing Standards, I have also issued a report dated June 28, 2005, on my consideration of the District Attorney of the Twentieth Judicial District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The management's Discussion and Analysis on pages 1 through 6 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

My audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and , in my opinion , is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Yours truly,

W. Randall Peay, Ltd.

June 28, 2005

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Samuel D'Aquilla
District Attorney of the
Twentieth Judicial District
Parishes of East and West Feliciana
State of Louisiana

I have audited the basic financial statements of the District Attorney of the Twentieth Judicial District, as of and for the year ended December 31, 2004, and have issued my report thereon dated June 28, 2005 which included an explanatory paragraph noting the adoption of Governmental Accounting Standards Board Statement No. 34. I have conducted my audit in accordance with auditing standards generally accepted in the Untied States of America and the standards applicable to financial audits contained in <u>Government Auditing Standards</u>, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District Attorney of the Twentieth Judicial District's basic financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, with which noncompliance could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under <u>Government Auditing Standards</u>.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the District Attorney of the Twentieth Judicial District, Parishes of East and West Feliciana, State of Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relative low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Legislative Auditor, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24.513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Clinton, Louisiana

June 28, 2005

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET ASSETS DECMEBER 31, 2004

ASSETS

Cash and cash equivalents Investments Receivables	\$212,481 76,504 28,661
Capital assets, net of accumulated depreciation	82,073
TOTAL ASSETS	399,719
LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	11,944
Accrued salaries	20,592
Other liabilities	10,118
TOTAL LIABILITIES	42,654
NET ASSETS	
Invested in capital assets	82,073
Unrestricted	317,646
TOTAL NET ASSETS	<u>\$399,719</u>

The accompanying notes are an integral part of this financial statement

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2004

net (Expense)

		Program Revenues		Revenue and Changes in
			Operating	Net Assets
		Charges for	Grants and	Governmental
	Expenses	Services	Contributions	unit
FUNCTIONS PROGRAMS				
Governmental activities				
Public safety	\$272,397	\$92,150	\$216,092	\$35,845
Health and welfare	132,328		122,185	(10,143)
Total governmental activities	404,725	92,150	338,277	25,702
	General Revenues:			
	Interest and investn	nent earnings		2,194
	Miscellaneous			
	Total general rev	enues and special iten	ns	2,194
	Excess of revenues or	ver expenses		27,896
	Net assets - January 1	, 2004		286,587
	Net assets - Decembe	r 31, 2004		<u>\$314,483</u>

GOVERNMENTAL FUNDS BALANCE SHEET DECEMBER 31, 2004

	General Fund	Special Revenue Fund	Total
ASSETS			
Cash and certificates of deposit	\$198,302	\$14,179	\$212,481
Accounts receivable			
Grants from Louisiana Department of		10.000	
Health and Hosptals		12,283	12,283
Investments Other	9,924	76,504	76,504
Due from other funds	9,924	6,454	9,924 6,454
Due from other rands		0,434	
TOTAL ASSETS	<u>\$208,226</u>	<u>\$109,420</u>	<u>\$317,646</u>
LIABILITIES AND FUND BALANCES Liabilities			
Accounts payable	\$11,924	\$0	\$11,924
Accrued salaries	11,752	8,840	20,592
Due to other funds	6,454	0,040	6,454
Other liabilities	7,139	2,979	10,118
TOTAL LIABILITIES	37,269	11,819	49,088
Fund balances:			
Unreserved-undesignated	170,957	97,601	268,558
TOTAL FUND BALANCES	170,957	97,601	268,558
TOTAL LIABILITES AND			
FUND BALANCES	<u>\$208,226</u>	<u>\$109,420</u>	<u>\$317,646</u>

The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS DECEMBER 31, 2004

Total fund balances - Governmental Funds		\$317,646
Cost of captial assets at December 31, 2004	95,359	
Less: accumulated depreciation as of December 31, 2004	(13,286)	82,073
Elimination of interfund assets and liabilities		
Due from other funds	(6,454)	
Due to other funds	6,454	0
Total net assets at December 31, 2004 - Governmental Acitivites		<u>\$399,719</u>

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2004

	General	Special	
	Fund	Revenue Fund	Total
REVENUES			
Fines and forteitures	\$105,804		\$105,804
Interest	457	1,737	2,194
Intergovernmental revenue:			
Louisiana Department of Social Services		122,185	122,185
Supplemental salary and benefits	310,651		310,651
Parish police jury	11,376		11,376
State of Louisiana	43,001		43,001
Check collection fees	27,079		27,079
Pre-trial intervention fees	65,071		65,071
Narcotic seizure fees	9,173		9,173
Other	46,738		46,738
TOTAL REVENUES	619,350	123,922	743,272
EXPENDITURES			
General Government:			
Current operating:			
Personnel service	98,015	112,125	210,140
Supplemental salaries and benefits	310,651	0	310,651
Supplies and office	20,130	1,165	21,295
Rents		6,238	6,238
Other	140,963	12,800	153,763
Capital outlay	27,636		27,636
TOTAL EXPENDITURES	597,395	132,328	729,723
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	21,955	(8,406)	13,549
OTHER FINANCIAL SOURCES (USES)			
Operating transfers in			0
Operating transfers out			0
Total other financing sources (uses)	0	0	0
EXCESS (DEFICIENCY) OF REVENUES			
AND OTHER SOURCES OVER			
EXPENDITURES AND OTHER USES	21,955	(8,406)	13,549
Fund balances - beginning of year	66,333	106,007	172,349
Fund balances - end of year	\$88,288		
Fully balances - the of year	<u>900,200</u>	<u>\$97,601</u>	<u>\$185,889</u>

RECONCILATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES DECEMBER 31, 2004

Excess (Deficiency) of Revenue and Other Sources		
Over Expenditures and Other Items		\$17,844
Capital Assets:		
Capital outlay capitalized	\$40,976	
Depreciation expense for year ended December 31, 2004	(2,911)	38,065
Some expenses reported in the statement of activities do not require the		
use of current resources and, therefore, are not reported as expenditures		
in governmental funds.	_	110,685
Changes in Net Assets - Governmental Activities		\$166.594

STATEMENT OF FIDUCIARY NET ASSETS

DECEMBER 31, 2004

ASSETS	Agency Funds
Cash and cash equivaletns	\$27,173
TOTAL ASSETS	<u>\$27,173</u>
LIABILITIES	
Due to other governmental units	\$27,173
TOTAL LIABILITIES	\$27,173

The accompanying notes are an integral part of this financial statement

3. <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u>

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the State within his district, is the representative of the State before the grand jury in his district, is the legal advisor to the grand jury, and performs other duties as provided by law. The Twentieth Judicial District encompasses the parishes of East and West Feliciana, Louisiana.

This financial report has been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

The following is a summary of the District Attorney's significant policies:

A. Financial Reporting Entity

For financial reporting purposes, in conformance with GASB Codification Section 2100, the District Attorney of the Twentieth Judicial District (the District Attorney) is a part of the district court system in the State of Louisiana. However, the District Attorney operates autonomously from the State of Louisiana and independently from the district court system. Therefore, the District Attorney reports as a independent reporting entity.

As the governing authority of the parish, for reporting purposes, the East and West Feliciana Parish Police Juries is the financial reporting entity for the East and West Feliciana Parishes. The financial reporting entity consists of (a) the primary government of (Parishes), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusions would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Parishes for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

- 1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Parishes to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Parishes.

1. <u>SUMMARY OF SIGNIFICANT ACCOUNT POLICIES</u> (continued)

A. <u>Financial Reporting Entity</u> (continued)

- 2. Organizations for which the Parishes does not appoint a voting majority but are fiscally dependent on the Parishes.
- 3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the East and West Feliciana Parish Police Juries provides a significant amount of financial revenues, the District Attorney was determined to be a component unit of the East and West Feliciana Police Juries, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the East and West Feliciana Parishes, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

The District Attorney is elected by the qualified electors of the judicial district for a term of six years.

B. Fund Accounting

The accounts of the District Attorney are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

Governmental Fund Type

General Fund

The General Fund was established in compliance with Louisiana Revised Statue 15:571.11, which provides that 12 % of the finds collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenditures of the District Attorney. The General Fund accounts for the operations of the District Attorneys' office.

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (continued)

B. Fund Accounting (continued)

Special Revenue Fund

The Special Revenue Fund consists of grants from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the fund is to enforce the support obligation owed by absent parents, to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

Worthless Check Collection Fee Special Revenue Fund

The Worthless Check Collection Fee Special Revenue Fund consists of fees collected in accordance with R.S. 16:15, which provides for a specific fee whenever the district attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the district attorney and may be used to defray the salaries and the expenses of the office of the district attorney but may not be used to supplement the salary of the district attorney.

Fiduciary Fund Type

Agency Fund

Agency Funds are used to account for assets held by the Office of the District Attorney as an agent for other governments and/or other funds. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The District Attorney has established the following agency fund:

Narcotic Seizure Account

The District Attorney's Narcotic Seizure Account is used to account for assets awarded by court judgements as a result of seizures and forfeitures of property in successfully prosecuted narcotics and other criminal investigations. The proceeds are held in custody by the District Attorney for distribution as provided under applicable Louisiana Statues.

1. <u>SUMMARY OF SIGNIFICANT ACCOUNT POLICIES</u> (continued)

C. <u>Basis of Accounting/Measurement Focus</u>

The GWFS were prepared using economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB no. 33, Accounting and Financial Reporting for Non-exchange transactions.

Program Revenues

Program revenues included in the Statement of Activities derive directly form parties outside the District Attorney's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District Attorney's general revenues.

Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets

Governmental and Agency Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Commissions on fines and bond forfeitures are reported in the year they are collected by the tax collector. Grants and state appropriations are recorded when the District Attorney is entitled to the funds. Interest income on investments is recorded when earned. Substantially all other revenues are recorded when received.

1. <u>SUMMARY OF SIGNIFICANT ACCOUNT POLICIES</u> (continued)

C. Basis of Accounting/Measurement Focus (continued)

Fund Financial Statements (FFS)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by the employees, and general long-term obligations principal and interest payments are recognized only when due.

Transfers between funds that are not expected to be repaid are accounted for as other financing resources.

D. Budgets and Budgetary Accounting

The District Attorney follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1. In accordance with the Budget Act of the State of Louisiana, the District Attorney prepares operating budgets for the General and Special Revenue Funds at least fifteen days prior to the commencement of the budgetary fiscal year. The operating budgets include proposed expenditures and the means of financing them for the upcoming year.
- 2. The budgets are available for public inspection for a fifteen day period prior to a public hearing held to obtain taxpayer comment.
- 3. The budgets are adopted at the public hearing and are authorized for implementation on the first day of the fiscal year.
- 4. The budgets are prepared on a basis consistent with accounting principles generally accepted in the Untied States of America (GAAP).
- 5. The budgets may be revised during the year as estimates regarding revenues and expenditures change.
- 6. Appropriations lapse at the end of each fiscal year.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. <u>Compensated Absences</u>

On January 10, 2004, the District Attorney adopted a policy for leave benefits which allows a maximum of 10 days of vacation leave per calendar year to be earned. Upon termination, employees are paid for their unused vacation leave. Sick leave is allowed to accrue and accumulate, but not over 20 days.. However, such sick leave benefits are payable only upon absence from work for medical reasons. Upon termination, accumulated sick leave lapses, and no payments are made for the unused accumulations. Under the leave policy adopted, accrual of unused vacation leave in the financial statements is required in accordance with GASB Statement No. 16. However, accrual of unused sick leave is not required since the amount accumulated lapses upon termination.

F. <u>Cash and Certificates of Deposits</u>

Cash includes amounts in demand deposits, interest-bearing deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the district attorney may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law, and national banks having their principal office in Louisiana.

G. Capital Assets

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District Attorney maintains a threshold level of \$500 or more for capitalizing assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed by the District Attorney, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 5 to 7 years.

H. Operating Transfers In and Out

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the transfers are accounted for through the various due from and due to accounts.

2. CHANGES IN ACCOUNTING PRINCIPLES

GASB Statement No. 34 creates new basic financial statements for reporting on the District Attorney's financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which had been the method of presentation in previously issued financial statements. Non-major funds are presented in total in one column in the fund financial statements.

3. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2004 are as follows:

	Furniture and
	<u>Equipment</u>
Cost of capital assets	***************************************
December 31, 2003	\$67,723
Additions	<u>27,636</u>
Cost of capital assets	
December 31, 2004	<u>\$95,359</u>
Accumulated depreciation,	
December 31, 2003	5,321
Additions	7,965
Accumulated depreciation,	•
December 31, 2004	\$13,286
Capital assets, net of accumulated	
depreciation, at December 31, 2004	<u>\$82,073</u>

Depreciation expense of \$7,965 for the year ended December 31, 2004 was charged to the following governmental functions:

Public service	\$6,319
Title IV-D	<u>1,646</u>
	\$7,965

4. <u>RETIREMENT SYSTEMS</u>

The District Attorney and Assistant District Attorneys, whose salaries are paid by the State of Louisiana, and the Office of the District Attorney, are members of the Louisiana District Attorneys' Retirement System. This retirement system is a multiple cost sharing, statewide public employees retirement system administered and controlled by a separate board of trustees.

Pertinent information relevant to each plan follows:

1. Louisiana District Attorneys' Retirement System (LDARS)

Plan Description: The LDARS provides retirement benefits as well as disability and survivor benefits. Benefits are established and amended by state statute. The LDARS issues a publicly available financial report that includes financial statements and required supplementary information for the LDARS. That report may be obtained by writing to the Louisiana District Attorneys' Retirement System, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824.

Funding Policy: Plan members are required to contribute 7.00 percent of their annual covered salary and the district attorney is required to contribute at an actuarially determined rate. Member contributions and employer contributions for the LDARS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee.

5. ON-BEHALF PAYMENTS FOR SALARIES AND FRINGE BENEFITS

For the year ended December 31, 2004, the District Attorney recorded on-behalf payments for salary and benefits from the following sources:

East and West Feliciana Parish Police Juries Salaries and Benefits

<u>\$107,751</u>

State of Louisiana
Salaries and Benefits

<u>\$202,900</u>

6. **INTERFUND TRANSACTIONS**

The following is a summary of amounts due from and due to other funds at December 31, 2004:

	<u>Due From</u>	<u>Due To</u>
General Fund		\$ 6,454
Special Revenue Fund (Title IV-D)	<u>\$ 6,454</u>	
	<u>\$ 6,454</u>	<u>\$ 6,454</u>

7. CASH AND CERTIFICATES OF DEPOSIT

At December 31, 2004, the carrying amount of the District Attorney's deposits was \$239,653 and the bank balances were \$270,667. Of the bank balances, all were covered by federal depository insurance and \$76,504 was covered by collateral held by the pledging bank's agent in the District Attorney's name.

8. FEDERAL FINANCIAL ASSISTANCE PROGRAM

The District Attorney participates in the United States Department of Health and Human Services Child Support Enforcement, Title IV-D Program, Catalog of Federal Domestic Assistance No. 93.563. This program is funded by indirect assistance payments, in the form of both incentive payments and reimbursements of a portion of certain expenditures, received from the Louisiana Department of Social Services. Beginning July 1998, the State eliminated incentive payments and began paying 100% of reimbursement requests. For the year ended December 31, 2004 the District Attorney for the Twentieth Judicial District expended \$131,528 in reimbursement payments.

The reimbursement payments are restricted by a formal agreement between the District Attorney and Department of Social Services and includes a budget of expected expenditures for each fiscal year ending June 30. The District Attorney submits reimbursement requests to the Department of Social Services on a monthly basis.

There are no restrictions on how incentive payments may be expended, except as may be required by state law for any other funds of the District Attorney. However, these payments, as well as the reimbursement payments, may be subjected to further review and audit by the federal grantor agency. No provision has been made in the financial statements for the reimbursement of any expenditures that may be disallowed as a result of such a review or audit.

9. LEASES

The District Attorney's office leases office equipment for use in the Clinton and St. Francisville offices. The following is a schedule of the minimum rental commitments at December 31, 2004:

2005	\$20,783
2006	13,847
2007	6,648
	<u>\$41,278</u>

Each lease is non-cancellable and the equipment is to be returned at the end of the lease term.

The District Attorney leases an automobile for use by the investigator. The following is a schedule of the minimum rental commitments at December 31, 2004:

2005	\$5,690
2006	<u>474</u>
	<u>\$ 6,164</u>

REQUIRED SUPPLEMENTARY INFORMATION

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT GENERAL FUND BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2004

	Original	Actual	Variance with Final Budge Favorable (Unfavorable)
REVENUES			
Fines and forteitures	\$69,000	\$105,804	\$36,804
Interest	225	457	232
Intergovernmental revenue:			
Supplemental salary and benefits	310,651	310,651	0
Parish police jury	11,376	11,376	0
State of Louisiana - Grants	41,309	43,001	1,692
Check collention fees	15,000	27,079	12,079
Pre-trial intervention fees	42,000	65,071	23,071
Narcotic seizuer fees	12,000	9,173	(2,827)
Rent	13,500	6,238	(7,262)
Grant-Other	0	40,000	40,000
Other	1,200	500	(700)
TOTAL REVENUES	516,261	619,350	103,089
EXPENDITURES General Government: Current operating:			
Personnel service	60,400	98,015	(37,615)
Supplemental salaries benefit	310,651	310,651	(37,019,
Supplies and office	20,000	20,130	(130)
Other			·
	55,600	140,963	(85,363)
Capital outlay	27,000	27,636_	(636)
TOTAL EXPENDITURES	473,651	597,395	(123,744)
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	42,610	21,955	(20,655)
OTHER FINANCIAL SOURCES (USES) Operating transfers in Operating transfers out			0
Total other financing sources (uses)	0	0	0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	42,610	21,955	(20,655)
FUND BALANCES			
Beginning of year	66,333	66,333	0
End of year	<u>\$108.943</u>	<u>\$88,288</u>	<u>(\$20,655)</u>

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT SPECIAL REVENUE FUND BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2004

	Original	Actual	Variance with Final Budge Favorable (Unfavorable)
REVENUES			
Interest	0	1,737	\$1,737
Intergovernmental revenue:	440.000		
Louisiana Department of Social Services	<u> 143,809</u>	122,185	(21,624)
TOTAL REVENUES	143,809	123,922	(19,887)
EXPENDITURES			
General Government:			
Current operating:			
Personnel service	138,000	112,125	25,875
Rents	13,500	6,238	7,262
Supplies and Office	13,300	1,165	(1,165)
Other	18,000	12,800	
Other	18,000	12,800	5,200
TOTAL EXPENDITURES	169,500	132,328	37,172
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(25,691)	(8,406)	(17,285)
OTHER FINANCIAL SOURCES (USES) Operating transfers in			0
Operating transfers out		*	0
Total other financing sources (uses)		0	0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(25,691)	(8,406)	(17,285)
FUND BALANCES			
Beginning of year	117,540	117,540	0
End of year	<u>\$91,849</u>	<u>\$109,134</u>	(\$17,285)

The accompanying notes are an integral part of this financil statement

SUPPLEMENTAL INFORMATION

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2004

Federal Grantor Pass-through Grantor Program <u>Title</u>	Federal CFDA <u>Number</u>	Pass-through Entity's <u>Identifying Number</u>	Federal Expenditures
U. S. Department of Health and Human Services Passed through the Louisiana Department of Social Services			
Child Support Enforcement Title IV-D	93.563	DDS # 02148	\$132,328
Juvenile Accountability Incentive Block Grant	16,523		\$16,266

Note A - Basis of Presentation

The schedules of expenditures of federal awards include the federal grant activity of the District Attorney of the Twentieth Judicial District and are presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements, Audits of States, Local Governments, and Non-Profit Organizations.

Note B - Reconciliation to Financial Statements

The expenditures for the Title IV-D program are reported on the Statement of Revenue, Expenditures, and changes in Fund Balances as expenditures.

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2004

SUMMARY OF AUDIT RESULTS

- 1. The auditors report expresses an unqualified opinion on the basic financial statements of the District Attorney of the Twentieth Judicial District.
- 2. No instances of noncompliance material to the financial statements of the District Attorney of the Twentieth Judicial District were disclosed during the audit.
- 3. No reportable conditions were disclosed during the audit of the IVD federal award programs.
- 4. There were not any audit findings relative to the IVD federal award program.
- 5. The program tested was Title IV-D, CFA Number 93.563.
- 6. The threshold for distinguishing Types A and B programs was \$300,000.
- 7. The District Attorney of the Twentieth Judicial District was not determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENT AUDIT

REPORTABLE CONDITIONS:

None

FINDINGS AND QUESTIONED COSTS - IVD FEDERAL AWARD PROGRAMS

None.

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT St. Francisville, Louisiana

Summary Schedule of Prior Audit Findings For the Year Ended, December 31, 2004

> Fiscal Year Finding Initially

Planned Corrective
Action/Partial
Corrective
Action Taken

Ref. No.

Occurred Des

Description of Finding

Section 1 - Internal Control and Compliance Material to the Financial Statements

None

Section II - Internal Control and Compliance Material to the Federal Audits

None

Section III - Management Letter

None